120001592

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VIRGINIA:

### BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

SUPPLEMENTAL ORDER REGARDING DOCKET NUMBER VGOB 08-0520-2221

ELECTIONS: UNIT A-16 (herein Subject Drilling Unit)

## REPORT OF BOARD

### FINDINGS AND ORDER

This Supplemental Order is entered by the Board *sua sponte* in the form authorized by the Board at hearings held on February 15, 1994 and June 16, 1992; and this Supplemental Order is being recorded for the purpose of supplementing the Order previously in the captioned matter on October 1, 2008 which was recorded at Document 080003929 in the Office of the Clerk of the Circuit Court of Buchanan County, Virginia, on October 16, 2008, (herein "Board Order") and completing the record regarding elections.

Findings: The Board finds that:

The Board Order directed CNX GAS COMPANY LLC (herein "Designated Operator") to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by the said Board Order;

The Designated Operator filed its affidavit of elections disclosing that it had mailed a true and correct copy of the Board's Order to all Respondents whose interests, if any, were pooled by said Board Order;

The Board Order required each Respondent whose interests, if any, were pooled by the terms of said Board Order to make an election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the affidavit of elections filed herein and annexed hereto as Exhibit A states: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of any election(s) made; and (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Applicant;

That the affidavit of elections annexed hereto with the Exhibits submitted therewith identifies the Respondent(s) making a timely election, if any; identifies the Respondent(s), if any, who are deemed to have leased; identifies the conflicting interests and claims which require escrow; identifies the interests and claims, if any, requiring escrow under Virginia Code section 45.1-361.21.D.; and identifies the Respondents, if any, who may be dismissed by reason of having leased or entered into a voluntary agreement with the Applicant.

The affidavit of elections indicates whether or not the escrow of funds is required with regard to Unit A-16;

Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2. above and the annexed affidavit of elections with Exhibits thereto, any funds subject to escrow and instructs the Escrow Agent, First Bank & Trust Company PO Box 3860 Kingsport, TN 37664, Attn: Debbie Davis or any successor named by the Board to establish interest bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in the affidavit of elections with Exhibits thereto, to receive funds and account to the Board therefore.

Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that a true and correct copy of this Order was mailed to each Respondent whose interests or claims are subject to escrow and whose address is known within seven (7) days from the date of receipt of this Order.

<u>Conclusion:</u> Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED to	his 14 day of Quene	, 2012, by a maj	ority of the
Virginia Gas and Oil Board.			
		, ,	
	1/ 110 9	, 4	

DONE AND PERFORMED THIS 14th day of July e , 2012, by Order of the Board.

Rick Cooper

Chairman, Bradley C

Principal Executive to the Staff of the Board

STATE OF VIRGINIA COUNTY OF RUSSELL

Acknowledged on this \_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_, 2012, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, and appeared Rick Cooper, being duly sworn did depose and say that he is Principal Executive to the Staff of the Virginia Gas and Oil Board that they executed the same and were authorized to do so.

Diane J. Davis, Notary

174394

My commission expires: September 30, 2013



VIRGINIA:

#### Exhibit A

#### BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of CNX Gas Company LLC for Forced Pooling of Interests in CBM Unit A-16 VGOB 08-0520-2221 in the North Grundy District of Buchanan County, Virginia

AFFIDAVIT OF CNX GAS COMPANY LLC (herein "Designated Operator") REGARDING ELECTIONS, ESCROW AND SUPPLEMENTAL ORDER

Anita D. Duty, being first duly sworn on oath, deposes and says:

That your affiant is employed by CNX Land Resources, Inc., as a Pooling Supervisor and is duly authorized to make this affidavit on behalf of CNX GAS COMPANY LLC, the designated operator,

That the Order entered on October 1, 2008, by the Virginia Gas and Oil Board (hereinafter "Board") regarding the captioned CBM Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by the Order;

That within seven (7) days of receipt of an executed copy of the Order referred to at paragraph 2. above, your affiant caused a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who were added as Respondents at the hearing held in the captioned matter; that proof of such mailing has previously been tendered to the Division of Gas and Oil, the Office of the Gas and Oil Inspector, at Abingdon, Virginia;

That the Order of the Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date the Order was recorded in the counties identified above; that said Order was recorded on October 16, 2008;

That the designated operator CNX GAS COMPANY LLC has established procedures to review all mail received and all written documents received other than by mail to ascertain whether parties whose interests have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to the Subject Unit; that the following persons delivered, by mail or otherwise, written elections the Unit Operator, within the thirty day elections period:

Election Option 9.2 ("To Receive a Cash Bonus Consideration) - Alex Shortridge Heirs c/o Sarah E. Gentry, Agent

That Respondents identified in Exhibit B-3 hereto are, having failed to make any election, deemed to have leased their coalbed methane rights, interests and claims to Applicant, all as provided in the Board's Order of October 1, 2008;

See attached Exhibit B-3

That the rights, interests and claims of the following persons are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia:

None

That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator:

None

That to the extent any of said persons listed in Exhibit B-2 have rights, interests and claims which are subject to escrow, they should be dismissed as respondents; the Operator requests that the following persons be dismissed as Respondents:

None

That the persons identified in Exhibit EE attached hereto have entered into royalty split agreements that allow the Applicant/Designated Operator to pay them directly without the need to escrow funds which would otherwise be in conflict.

None

That pursuant to the provisions of VAC 25-160-70.A.10. and C. and VAC 25-160-80 the annexed supplemental order sets forth the interests and claims that require escrow of funds pursuant to Virginia Code sections 45.1-361.21.D. and 45.1-361.22.A.3. and 4.

Dated at Bluefield, West Virginia, this 23 day of

Anita D. Duty

2012.

STATE OF WEST VIRGINIA COUNTY OF MERCER

Taken, subscribed and sworn to before me by Anita D. Duty as a Pooling Supervisor for CNX Land Resources Inc., on behalf of the corporate Designated Operator, this 23 day of

, 2012.

Notary

My commission expires:

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
DIANA M. MURPHY
CNX GAS COMPANY LLC
2481 JOHN NASH BLVD.
BLUEFIELD, WV 24701
My commission expires December 4, 2016

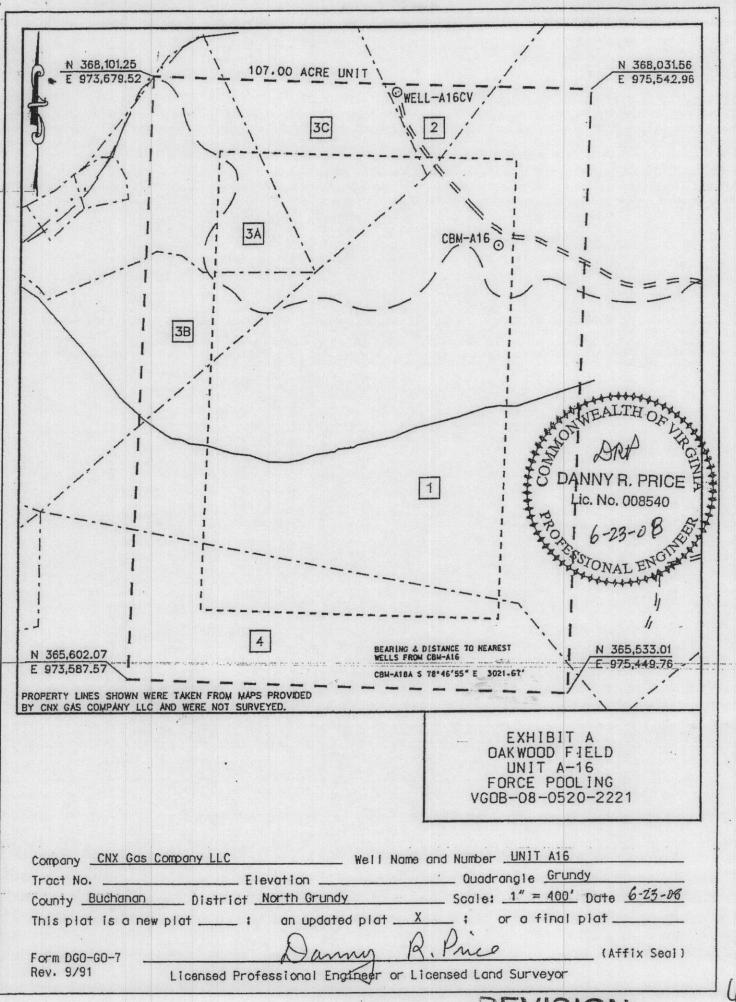
# **CNX Gas Company LLC**

Unit A16

Tract Identifications (107.00 Acres)

- 1. Kermit Elswick, et al (173.00 Acre Tract) Fee Island Creek Coal Company/Consol Energy, Inc. Coal Below Tiller Seam Leased Southern Mining, Inc. All Seams Lying in Elevation Above and Including Glamorgan Seam Leased CNX Gas Company LLC CBM Leased CNX Gas Company LLC Oil and Gas Leased (38.88%)

  Chesapeake Appalachia, L.L.C. Oil, Gas Leased (8.34%)
  61.17 acres 57.1682%
- Katharine J. Fields, et al (70.00 Acre Tract) Fee Island Creek Coal Company/Consol Energy, Inc. Coal Below Tiller Seam Leased Wellmore Coal Corporation Those seams of coal that outcrop above Slate Creek Leased (66.67%) CNX Gas Company LLC Oil and Gas Leased (21.99%) CNX Gas Company LLC CBM Leased (81.25%)
   2.07 acres
- 3. Lourena Yates, et al (193.00 Acre Tract) All Minerals Island Creek Coal Company/Consol Energy, Inc. Coal Below Tiller Seam Leased Commonwealth Resources, Inc. All seams above drainage level of Slate Creek Leased Appalachian Energy, Inc. Oil, Gas and CBM Leased (97.1919%) 23.90 acres 22.3364%
- 3A. Jerry Hodge, et ux Surface
- 3B. Jeffrey Yates, et al Surface
- 3C. CNX Gas Company LLC Surface
- 4. Janie Workman, et al. (163.00 Acre Tract) All Minerals
  Island Creek Coal Company/Consol Energy, Inc. Coal Below Tiller Seam Leased
  Jewell Smokeless Coal Corporation Coal in Widow Kennedy Seam Leased
  Unknown Surface Owner
  19.86 acres
  18.5607%



REVISION

	Acres in Unit	of Unit Election
COAL OWNERSHIP		
<u>Tract #2, 2.07 Acres</u>		
Katherine J. Fields, et al. (70.00 Acre Tract) (S.B. Avis Heirs, Devisees, Successors or Assigns, et al.)	2.07 acres	1.9346%
(2) John A. Blakemore Heirs Coal Trust c/o Hicok, Fern, Brown & Garcia CPA's P.O. Box 821 Abingdon, VA 24212	0.35 acres 1/6 of 2.07 acres	0.3224%
Tract #3, 23.90 Acres		
Lourena Yates, et al (193 Acre Tract)	23.90 acres	22.3364%
(1) Lawrence Yates Heirs, Devisees, Successors or Assigns		
(a) Lourena Yates * 1872 Elkins Branch Rd. Grundy, VA 24614	2.43 acres 6/59 of 23.90 acres	2.2712%
(2) Ernest Yates * 850 Denbigh Blvd., Unit 551 Newport News, VA 23608	2.63 acres 1/9 of 23.90 acres	2.4593%
(3) James Yates * 515 Dogwood Drive Liberty, NC	2.63 acres 1/9 of 23.90 acres	2.4593%
(4) Arthur Yates Heirs, Devisees, Successors or Assigns		
(a) Tommy Yates * 23127 Kestrel Dr. Bristol, VA 24201	2.63 acres 1/9 of 23.90 acres	2.4593%
(5) Roy C. Yates Heirs, Devisees, Successors or Assigns		
(a) Roy Yates * P.O. Box 728 Cool Ridge, WV 25825	2.63 acres 1/9 of 23.90 acres	2.4593%
(6) Lillie Potter Heirs, Devisees, Successors or Assigns		
(a) Joyce Bach * PO Box 477 West Liberty, KY 41472	0.88 acres 1/27 of 23.90 acres	0.8198%
(b) Martha McKenzie * 721 San Marino Drive Lady Lake, FL 32159	0.88 acres 1/27 of 23.90 acres	0.8198%
(c) Marling Potter * 341 Glenn Ave. West Liberty, KY 41472	0.88 acres 1/27 of 23.90 acres	0.8198%
(7) Elbert Yates Heirs, Devisees, Successors or Assigns		
(a) Loretta Yates * 1027 Caneyfork Rd Big Rock, VA 24603	0.54 acres 1/44 of 23.90 acres	0.5088%

	Acres in Unit	Percent of Unit	Election
(b) Harry Yates * 1030 Caney Fork Road Big Rock, VA 24603	0.54 acres 1/44 of 23.90 acres	0.5088%	
(c) Glenn Yates * 142 Mill Lane Yorktown, VA 23692	0.54 acres 1/44 of 23.90 acres	0.5088%	
(d) Ralph Yates Heirs, Successors Devisees or Assigns			
(d.1) Teddy Yates PO Box 416 Big Rock, VA 24603	0.22 acres 6/641 of 23.90 acres	0.2091%	
(d.2) Jeffery Yates PO Box 347 Big Rock, VA 24603	0.22 acres 6/641 of 23.90 acres	0.2091%	
(d.3) Rebecca Stiltner PO Box 397 Big Rock, VA 24603	0.22 acres 6/641 of 23.90 acres	0.2091%	
(e) Ruby Puckett Heirs, Successors Devisees or Assigns			
(e.1) Larry Puckett * 246 vine Place Stafford, VA 22554	0.41 acres 1/59 of 23.90 acres	0.3790%	
(e.2) Brenda Tate * 2137 Harpoon Dr. Stafford, VA 22554	0.07 acres 2/689 of 23.90 acres	0.0649%	
(e.3) Rhonda Bingel * 246 vine Place Stafford, VA 22554	0.07 acres 2/689 of 23.90 acres	0.0649%	
(8) George Yates Heirs, Devisees, Successors or Assigns			
(a) Francis Rivera * 8518 Barrend Rd. Roanoke, VA 24019	0.33 acres 1/73 of 23.90 acres	0.3074%	
(b) David Keene * 4734 Meadow Crossing Lane N Roanoke, VA 24019	0.33 acres 1/73 of 23.90 acres	0.3074%	
(c) Lincous Yates * PO Box 68 Grundy, VA 24614	0.66 acres 1/36 of 23.90 acres	0.6148%	
(d) Olegay Fletcher * PO Box 598 Grundy, VA 24614	0.66 acres 1/36 of 23.90 acres	0.6148%	
(e) Hassell Yates Heirs, Successors Devisees or Assigns			
(e.1) Dolly Yates * 1781 East Shipley Ferry Rd. Kingsport, TN 37663	0.66 acres 1/36 of 23.90 acres	0.6148%	
(9) Rosa Looney Heirs, Devisees, Successors or Assigns			
(a) Carl Looney * PO Box 1050 Grundy, VA 26417	0.66 acres 1/36 of 23.90 acres	0.6148%	
	Page 2 of 6		

		Acres in Unit	Percent of Unit Election
	(b) Clyde Looney * 4256 Willowdale Rd. Springfield, OH 45502	0.66 acres 1/36 of 23.90 acres	0.6148%
	(c) Leon Troy Looney Heirs, Devisees, Successors or Assigns		
	(c.1) Genetta Ann Looney, widow * P.O. Box 93 Vansant, VA 24656	0.66 acres 1/36 of 23.90 acres	0.6148%
	(d) Shirley Matney * PO Box 153 Vansant, VA 24656	0.66 acres 1/36 of 23.90 acres	0.6148%
	(10) Callie Jackson Heirs, Devisees, Successors or Assigns		
	(a) Edith Compton * Rt. 5 Box 137 Grundy, VA 24614	0.04 acres 1/594 of 23.90 acres	0.0376%
	(b) Otis Yates Heirs, Successors Devisees or Assigns		
	(b.1) Milanda Yates * Rt. 5 Box 138 Grundy, VA 24614	0.04 acres 1/594 of 23.90 acres	0.0376%
	(b.2) Cornelius Rife * HC 61 Box 28 Grundy, VA 24614	0.04 acres 1/594 of 23.90 acres	0.0376%
	(b.3) Alta Cox * 1829 Elkins Branch Rd Grundy, Va 24614	0.04 acres 1/594 of 23.90 acres	0.0376%
	(b.4) Buford Yates * 1922 Elkins Branch Rd. Grundy, VA 24614	0.04 acres 1/594 of 23.90 acres	0.0376%
	Tract #4, 19.86 Acres		
	(1) Janie Workman, et al. (aka - Alex & Rebecca Shortridge Heirs)	19.86 acres	18.5607% Election Option 9.2
	Alex Shortridge Heirs c/o Sarah E. Gentry, Agent 109 Eagle Ridge Lane Bristol, VA 24202-3495		
II.	OIL & GAS OWNERSHIP		
	Tract #2, 2.07 Acres		
	Katherine J. Fields, et al. (70.00 Acre Tract) (S.B. Avis Heirs, Devisees, Successors or Assigns, et al.)	2.07 acres	1.9346%
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		Page 4 of 6		

	Acres in Unit	Percent of Unit	Election
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(e) Ruby Puckett Heirs, Successors Devisees or Assigns			
(e.1) Larry Puckett * 246 vine Place	0.41 acres 1/59 of 23.90 acres	0.3790%	
Stafford, VA 22554 (e.2) Brenda Tate *	0.07 acres	0.0649%	
2137 Harpoon Dr. Stafford, VA 22554	2/689 of 23.90 acres	0.004078	
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	(b.3) Alta Cox * 1829 Elkins Branch Rd Grundy, Va 24614	0.04 acres 1/594 of 23.90 acres	0.0376%	
	(b.4) Buford Yates * 1922 Elkins Branch Rd. Grundy, VA 24614	0.04 acres 1/594 of 23.90 acres	0.0376%	
Tract	#4, 19.86 Acres			
(1)	Janie Workman, et al. (aka - Alex & Rebecca Shortridge Heirs)	19.86 acres	18.5607%	Election Option 9.2
	Alex Shortridge Heirs c/o Sarah E. Gentry, Agent 109 Eagle Ridge Lane Bristol, VA 24202-3495			

 $<sup>^{\</sup>star}$  The Oil, Gas & CBM is leased by Appalachian Energy, Inc.

INSTRUMENT #120001592
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
AUGUST 7, 2012 AT 12:06PM

BEVERLY S. TILLER, CLERK RECORDED BY: SLB

12 4/20/12